



STATE OF ARKANSAS
**Department of Finance
and Administration**

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MEMORANDUM

TO: All State Agency Directors, Boards, Commissions, Presidents/Chancellors of State
Supported Institutions of Higher Education and Human Resources/Payroll Representatives

FROM: Twana Porter
State Personnel Administrator

SUBJECT: CLIP Bonuses

DATE: April 18, 2006

The Chief Fiscal Officer of the State has determined that bonuses up to 6% of the incumbent's salary may be awarded for employees whose performance falls within the "Exceeds Standards" category and that bonuses up to 3% of the incumbent's salary can be awarded to employees whose performance has been evaluated as "Above Average". The bonus amounts are reflective of the positive general economic conditions and the extraordinary increases in utility and fuel costs in recent months. Arkansas Code Annotated §21-5-1101 (2) (c) authorizes the Chief Fiscal Officer of the State to set CLIP bonus amounts up to a maximum of 8%. Employees must have satisfied all CLIP criteria in compliance with the agency's/ institution's CLIP plan in order to be eligible to receive the bonus.

Agencies and institutions are reminded that funding for the CLIP program must come from salary savings or reallocation of resources before requests are made from the Merit Adjustment Fund. Also, CLIP bonuses should be processed prior to the beginning of FY 2007. The last payroll for FY 2006 covers the period June 4, 2006 through June 17, 2006. Procedures for processing CLIP bonuses in AASIS are attached for AASIS participating agencies.

Should you have any further questions, you may contact me at 682-1823. You may also contact Kay Barnhill, (501) 682-1753 (kay.barnhill@dfa.state.ar.us) or Herb Scott at (501) 682-1757 (Herb.Scott@dfa.state.ar.us) for your respective agency or institution. Questions regarding the funding of CLIP bonuses should be directed to the Office of Budget at 682-1941.

/tp

Attachment